

<p style="text-align: right;">Page 570</p> <p>1 THE WITNESS: I have no</p> <p>2 idea.</p> <p>3 BY MR. SPEIGHTS:</p> <p>4 Q. As I anticipated, so I want</p> <p>5 to go back to the question.</p> <p>6 A. I don't have any better</p> <p>7 answer because my recollection was that</p> <p>8 Grace had put up experts with different</p> <p>9 numbers at different times based on</p> <p>10 different assumptions. The record is</p> <p>11 publicly available. It contains whatever</p> <p>12 it contains. I just don't remember</p> <p>13 what -- I don't remember whether -- I</p> <p>14 don't remember whether Grace had a single</p> <p>15 number that was proposed by it to be the</p> <p>16 definitive number or a range of numbers</p> <p>17 that the judge could have selected,</p> <p>18 depending upon which set of assumptions</p> <p>19 the Grace experts were operating on, that</p> <p>20 she thought were more plausible than what</p> <p>21 other assumptions.</p> <p>22 Your question presupposes,</p> <p>23 as did Mr. Finch's question to you, that</p> <p>24 there was some landing point in which</p>	<p style="text-align: right;">Page 572</p> <p>1 he testified to a minute ago.</p> <p>2 THE WITNESS: Well, I seem</p> <p>3 to remember numbers as low as</p> <p>4 maybe in the 400 million plus</p> <p>5 range and numbers as high as a</p> <p>6 billion dollars plus or minus.</p> <p>7 But whatever the numbers</p> <p>8 were, as I said earlier, they were</p> <p>9 always a whole lot lower than what</p> <p>10 thought bore any resemblance to</p> <p>11 reality.</p> <p>12 BY MR. SPEIGHTS:</p> <p>13 Q. Thank you, Mr. Lockwood.</p> <p>14 Let me turn to another subject.</p> <p>15 What is the document -- and</p> <p>16 you may have already testified about it,</p> <p>17 but what is the document that first</p> <p>18 memorialized a settlement? Was it a term</p> <p>19 sheet, a memorandum of understanding or</p> <p>20 something else?</p> <p>21 A. My recollection is it was</p> <p>22 labeled a term sheet, but I am not</p> <p>23 positive about that.</p> <p>24 Q. And I am just going to use</p> <p style="text-align: right;">PP Obj: R, F</p>
<p style="text-align: right;">Page 571</p> <p>1 Grace came up with the number. I don't</p> <p>2 even know if there was such a number,</p> <p>3 much less what it was.</p> <p>4 Q. Mr. Lockwood, I have had a</p> <p>5 little difficulty understanding what the</p> <p>6 number or the range was in reading</p> <p>7 Mr. Bernick's various presentations at</p> <p>8 the estimation hearing.</p> <p>9 Do you have a recollection</p> <p>10 of some bookend, some general range where</p> <p>11 Grace was trying to place the PI</p> <p>12 liability?</p> <p>13 MR. FINCH: Objection to the</p> <p>14 extent that this calls for</p> <p>15 examination of the 30(b)(6)</p> <p>16 witness on topics that I don't</p> <p>17 recall anybody designating. He</p> <p>18 certainly wasn't prepared to</p> <p>19 respond to questions this specific</p> <p>20 about those topics.</p> <p>21 I will let him answer that</p> <p>22 question, but I suggest that his</p> <p>23 recollection of that is not likely</p> <p>24 to be any better of that than what</p> <p style="text-align: right;">CFO</p>	<p style="text-align: right;">Page 573</p> <p>1 that term with the understanding that it</p> <p>2 may actually be called something else.</p> <p>3 Who was involved in the</p> <p>4 negotiation of the term sheet on behalf</p> <p>5 of the ACC?</p> <p>6 A. I think I asked and answered</p> <p>7 this question the other day. I think it</p> <p>8 was -- from the ACC's perspective, A, it</p> <p>9 didn't include me; and, B, it involved</p> <p>10 Mr. Inselbuch and some or all of four</p> <p>11 members of the ACC, including Mr. Rice,</p> <p>12 Mr. Budd, Mr. Weitz, and Mr. Cooney.</p> <p>13 I do not know who was</p> <p>14 involved on the Grace side other than I</p> <p>15 recall generally that it included outside</p> <p>16 counsel, inside counsel for Grace, and</p> <p>17 some representative of the Equity</p> <p>18 Committee or representatives, plural.</p> <p>19 Q. And you did testify about</p> <p>20 that. I didn't recall Mr. Inselbuch</p> <p>21 being there, because it's your</p> <p>22 recollection that Mr. Inselbuch was</p> <p>23 involved in those negotiations?</p> <p>24 A. He was. But, again, there</p> <p style="text-align: right;">PP Obj: R, F</p>

<p style="text-align: right;">Page 590</p> <p>1 many judgments did PI plaintiffs obtain 2 against Grace? 3 MR. FINCH: Objection, lack 4 of foundation. 5 THE WITNESS: I don't really 6 recall. I recall that there was 7 an exhibit somewhere that we put 8 in in the estimation case that, I 9 believe, reflected judgments and 10 verdicts of PI cases against 11 Grace. I think it was all of 12 them, but it might have been for 13 some period shorter than all time. 14 It was, I want to say, in 15 the 20s, but my memory is 16 really -- I wouldn't vouch for my 17 memory on something like that. 18 BY MR. SPEIGHTS: 19 Q. I understand. We will await 20 Mr. Finch's deposition. 21 Sometime in the 12 or 16 22 hours that I have been listening to you 23 by telephone, Mr. Lockwood, you said 24 something about some PI claimants</p>	<p style="text-align: right;">Page 592</p> <p>1 is -- this type of category, the Level I 2 cash discount payment, which I believe I 3 characterized earlier in my testimony, is 4 akin to a convenience class in sort of 5 standard bankruptcy, has been used in 6 virtually every case in the last ten 7 years. And my recollection is that it's 8 a relatively small percentage of claims 9 and a vastly smaller percentage of 10 dollars that wind up getting spent that 11 way. 12 But I really can't be more 13 specific than that. Peterson might have 14 an estimate, and Inselbuch might know 15 more about other Trust experience with 16 this category of claims than I do. 17 MR. FINCH: Mr. Speights, 18 Dr. Peterson put in an expert 19 report in March of this year that 20 may shed some light on that 21 question. 22 MR. SPEIGHTS: Thank you, 23 Mr. Finch. 24 BY MR. SPEIGHTS:</p>
<p style="text-align: right;">Page 591</p> <p>1 receiving a payment of \$300, although 2 technically they, if you followed some 3 formula, might receive only about \$100. 4 Does that ring any bells 5 with you? 6 A. Yes. I know what you are 7 talking about. 8 Q. What do we call that group 9 of claimants? 10 A. I believe they are called 11 Category I, Other Asbestos Disease, Level 12 I, cash discount payment. They are 13 identified in Section 5.3(a)(3) of the 14 TDP. 15 Q. And how many such claimants 16 does the ACC anticipate there being? 17 A. I don't believe the ACC has 18 a real expectation on this. It is 19 entirely possible Mark Peterson, the 20 committee's asbestos claims expert, might 21 have made a projection of what percentage 22 of the claims would be expected to fall 23 within that category. 24 My general recollection</p>	<p style="text-align: right;">Page 593</p> <p>1 Q. I will move to what may well 2 be my last category, Trust Distribution 3 Procedures. 4 Was the Debtor involved in 5 the drafting of the Trust Distribution 6 Procedures? 7 MR. FINCH: Objection, asked 8 and answered. 9 THE WITNESS: As I testified 10 the other day, the principal 11 draftspersons for that document 12 were the ACC and the FCR, that 13 Grace saw drafts of it, made 14 comments on it. But I would not 15 consider it to be accurate to 16 describe them as one of the 17 principal drafters of it. 18 BY MR. SPEIGHTS: 19 Q. Do you have, I think it's, 20 Exhibit-11, the Trust Distribution 21 Procedures in front of you? 22 A. I do. 23 Q. If you would turn to page 24 42, Section 5.7(b)(3), Grace exposure.</p>

<p style="text-align: right;">Page 602</p> <p>1 nature of the general objection?</p> <p>2 MR. FREEDMAN: The nature of</p> <p>3 the general objection is that they</p> <p>4 are presenting hypotheticals,</p> <p>5 which the witness can't answer</p> <p>6 and, as a result, require him to</p> <p>7 set forth opinions about things</p> <p>8 that are beyond what he should be</p> <p>9 testifying to in the 30(b)(6)</p> <p>10 deposition.</p> <p>11 MR. SCHIAVONI: That's been</p> <p>12 90 percent of the testimony,</p> <p>13 hypotheticals.</p> <p>14 MR. FREEDMAN: Well, I am</p> <p>15 stating this objection to this</p> <p>16 line of questions. You have done</p> <p>17 well on everything else.</p> <p>18 BY MR. SPEIGHTS:</p> <p>19 Q. Mr. Lockwood, I am going to</p> <p>20 try to wind up in less than ten minutes.</p> <p>21 MR. FINCH: Mr. Speights,</p> <p>22 before you wind up, can we take a</p> <p>23 two-minute break?</p> <p>24 MR. SPEIGHTS: That will be</p>	<p style="text-align: right;">Page 604</p> <p>CNA CPO</p> <p>1 proposed any other person to the</p> <p>2 co-proponent which they did not accept?</p> <p>3 A. Not that I recall.</p> <p>4 Q. Has the ACC chosen an entity</p> <p>5 to administer the Trust?</p> <p>6 A. Not to my knowledge.</p> <p>7 Indeed, I don't believe the ACC is</p> <p>8 capable of making that choice. I believe</p> <p>9 under the Trust Agreement, the trustees</p> <p>10 are the only parties with the authority</p> <p>11 to make that decision.</p> <p>12 Q. Is statute of limitations a</p> <p>13 legal defense in the Trust Distribution</p> <p>14 Procedures?</p> <p>15 A. To the extent --</p> <p>16 Q. To any claim?</p> <p>17 A. Yes, to the extent so</p> <p>18 provided in the TDPs. What I mean by</p> <p>19 that is there are one or more provisions</p> <p>20 that address that subject in which the</p> <p>21 statute of limitations is made</p> <p>22 applicable.</p> <p>23 Q. And if I sit down tonight</p> <p>24 and very carefully review again this</p>
<p style="text-align: right;">Page 603</p> <p>1 fine, if it's two minutes.</p> <p>2 MR. FINCH: It's two</p> <p>3 minutes. Off the record.</p> <p>4 (There was a break from 3:17</p> <p>5 p.m. to 3:20.)</p> <p>6 BY MR. SPEIGHTS:</p> <p>7 Q. Mr. Lockwood, has trustees</p> <p>8 been selected for the PI Trust?</p> <p>9 A. Yes.</p> <p>10 Q. Have they been revealed?</p> <p>11 A. Their names are set forth at</p> <p>12 the end of the PI Trust Agreement. The</p> <p>13 second-to-last page is a signature page</p> <p>14 which names three individuals, Harry</p> <p>15 Huge, Lewis Sifford, and Dean Trafelet,</p> <p>16 as the three prospective trustees.</p> <p>17 Q. Did the ACC choose these</p> <p>18 three people?</p> <p>19 A. The ACC and the FCR</p> <p>20 consulted each other on these three</p> <p>21 prospective individuals and then proposed</p> <p>22 them to the co-proponents and the</p> <p>23 co-proponents accepted them.</p> <p>24 Q. Had the ACC or the FCR</p>	<p style="text-align: right;">Page 605</p> <p>1 Trust Distribution Procedure for the</p> <p>2 Grace PI Trust, I will find statute of</p> <p>3 limitations somewhere?</p> <p>4 A. Somewhere in there, it is my</p> <p>5 best recollection that there is a</p> <p>6 provision, one or more provisions, that</p> <p>7 address statute of limitations.</p> <p>8 I might be able to find it,</p> <p>9 if you really wanted me to root around in</p> <p>10 it for a while here. I can't from memory</p> <p>11 remember exactly where it shows up, but I</p> <p>12 am --</p> <p>13 Q. Well, I actually don't want</p> <p>14 you to do that.</p> <p>15 A. Okay.</p> <p>16 Q. But I would request you or</p> <p>17 your attorney --</p> <p>18 A. Okay. It's Section</p> <p>19 5.1(a)(2) of the TDP is at least one</p> <p>20 place. It's captioned Effect of Statutes</p> <p>21 of Limitation and Repose. It starts at</p> <p>22 page 16 of the TDP and extends over to</p> <p>23 page 17. There may be possibly other</p> <p>24 places where statute of limitations</p>

Page 606

FFIL SC

Page 608

provisions occur, but this is the one I was thinking of.

MR. SPEIGHTS: Thank you, Mr. Lockwood.

That's all I have subject to reserving my position, as others have done, that Anderson should be permitted to fully explore the negotiations of the Plan of Reorganization. And I understand from Friday's session, that counsel will not permit Mr. Lockwood to answer those questions, and that will be a continuing objection on our part.

MR. FINCH: Thank you, Mr. Speights. I think Mr. Plevin has requested that he go next.

- - -

EXAMINATION

- - -

BY MR. PLEVIN:

Q. Good afternoon, Mr. Lockwood.

issuance of the supersedeas bond, W.R. Grace signed an indemnity agreement with Fireman's Fund with respect to the bond?

A. I am generally aware that Grace has an indemnity on that bond, that's correct.

Q. Okay. And are you aware that Fireman's Fund has filed a proof of claim on a contingent basis with respect to any amounts it is required to pay with respect to the supersedeas bond?

A. Yes.

Q. Does the Plan classify the Fireman's Fund claim in any way?

A. The answer is yes. I am hesitating only because I can't remember whether the Plan actually singles the Fireman's Fund out by name for classification or whether it only classifies it because of the way of the definitions in the Plan work. But one or the other of those ways, the Plan classifies Fireman's Fund surety bond claim.

Page 607

FFIL SC

Page 609

1 FFIL A. Good afternoon.

2 SC Q. As you know, I am
3 representing Fireman's Fund in this case
4 for the limited purpose of addressing
5 issues relating to the surety bond that
6 Fireman's Fund issued to Grace with
7 respect to the Edwards appeal in Texas.

Are you familiar generally with the Edwards appeal in Texas?

A. Generally, yes.

Q. And you understand that that's a case that in which the plaintiffs obtained a judgment against W.R. Grace at the trial court?

A. Correct.

Q. Grace then took an appeal, correct?

A. Correct.

Q. The appeal -- withdrawn.

With respect to the appeal, Fireman's Fund issued a supersedeas bond?

A. That's my understanding.

Q. And are you also familiar with the fact that in connection with the

Q. And what is your understanding or recollection of the classification of the Fireman's Fund claim?

A. That it is a Class 6 claim that is channelled to the Trust.

Q. And as a Class 6 claim, how is the claim to be paid or treated?

A. Well, after satisfying itself that there is, in fact, a valid Grace indemnity of the surety bond and assuming, of course, hypothetically that the surety bond has been drawn down on because the plaintiffs prevailed on an appeal, the trustees would treat it, I believe, as a pre-petition liquidated claim with respect to its value and would pay the applicable payment percentage on it.

Q. Okay. And if the Edwards plaintiffs were to prevail on their appeal, what kind of claim would they have against the estate, what class?

A. If the Edwards claimants

FP
Obj:
R; BE;
F; LO

FFIL
SC

FFIC SC

PP Obj:

R; BE;
LO; F

Page 610

1 were to prevail on their claim?
 2 Q. Yes.
 3 A. Well, under the provisions
 4 of the TDP, which require marshalling,
 5 the Edwards claim, I believe, would have
 6 to be pursued initially against the bond.
 7 To the extent that it fully satisfied the
 8 bond, they wouldn't have any claim
 9 anymore.
 10 Q. If I could ask you to look
 11 at Exhibit-11, ACC Exhibit-11, and the
 12 TDPs.
 13 A. I have them.
 14 Q. Page 20 contains Section
 15 5.2(b). Do you see that?
 16 A. I do.
 17 Q. Is that the marshalling
 18 provision you had in mind when you just
 19 gave that previous answer?
 20 A. That is correct.
 21 Q. And that marshalling
 22 provision applies to holders of
 23 pre-petition liquidated claims that are
 24 secured by letters of credit, appeal

FFIC SC

Page 612

1 pre-petition liquidated claims for that
 2 purpose.
 3 So the Edwards claimants
 4 have two choices, I suppose. And maybe
 5 my first answer was a little bit too
 6 fast. The Edwards claimants could either
 7 finish their appeal, at which point they
 8 would have a pre-petition liquidated
 9 claim, that would be a final judgment.
 10 Romanette (ii) only excludes non-final
 11 judgments. So they couldn't avoid the
 12 appeal by saying to the Trust and
 13 Fireman's Fund, oh, we have a
 14 pre-petition liquidated claim, you have
 15 got to pay it.
 16 So they have got a choice.
 17 They have either got to pursue -- let me
 18 rephrase this.
 19 Q. They have got to defend the
 20 appeal.
 21 A. Let me phrase. They either
 22 got to defend the appeal, or they would
 23 have to somehow or another withdraw it,
 24 dismiss it, whatever, and then seek to

FFIC SC

PP Obj:

R; BE;
LO; F

Page 611

1 bonds, or other security, correct?
 2 A. Correct.
 3 Q. If I could ask you to turn
 4 back two pages to page 18, do you see
 5 that there is a definition in bold type
 6 partway through the first paragraph of
 7 Section 5.2(a) defining pre-petition
 8 liquidating claims?
 9 A. I do.
 10 Q. I want to go through with
 11 you the four subparts here and try to
 12 figure out where the Edwards claim would
 13 qualify as a pre-petition liquidated
 14 claim.
 15 A. It wouldn't.
 16 Q. Okay. So explain to me --
 17 A. In Romanette (ii), the
 18 Edwards claim as opposed to Fireman's
 19 Fund's claim is excluded because,
 20 although it is a non-final judgment in
 21 the tort system obtained prior to the
 22 petition date, there is a supersedeas
 23 bond associated with it, which means that
 24 it is not within the definition of

FFIC SC

Page 613

1 pursue what would then be an unliquidated
 2 claim, I guess, against the Trust.
 3 But at that point, Fireman's
 4 Fund would, as I understand it, no longer
 5 have any liability on the surety bond
 6 because Fireman's Fund liability is
 7 dependent on the entry of a final
 8 judgment on the matter that was bonded
 9 which was the specific appeal, not some
 10 generic bonding of the claim as a whole.
 11 That's my understanding. I
 12 don't profess to be an expert on this.
 13 But that's my understanding of it.
 14 Q. And your understanding is
 15 that if Grace prevailed on the appeal and
 16 that ruling became final, either because
 17 it was affirmed by the Texas Supreme
 18 Court or was not further appealed, that
 19 the Edwards claimants would have a claim
 20 against the Trust pursuant to the TDPs,
 21 just like every other claimant who did
 22 not have a pre-petition liquidated claim?
 23 MR. GUY: Objection,
 24 compound.

<p style="text-align: center;">PP Obj: R; BE; F; LO</p> <p>FFIC SC</p> <p>Page 614</p> <p>1 THE WITNESS: Actually, the</p> <p>2 answer to that depends on</p> <p>3 precisely what the Texas appeal at</p> <p>4 courts decided. If they decided</p> <p>5 that they were going to remand for</p> <p>6 a new trial, then your question is</p> <p>7 correct, they would have an</p> <p>8 unliquidated claim.</p> <p>9 If somehow or another -- I</p> <p>10 don't think this is possible based</p> <p>11 on the nature of the appeal, but</p> <p>12 if, for some reason or another,</p> <p>13 they would decide that the claim</p> <p>14 was invalid, then I don't think</p> <p>15 the Edwards claimants would have a</p> <p>16 claim against the Trust, either,</p> <p>17 because I think res adjudicata</p> <p>18 would apply to the Trust as much</p> <p>19 as it would apply to Grace or</p> <p>20 Fireman's Fund, for that matter.</p> <p>21 BY MR. PLEVIN:</p> <p>22 Q. Okay. If you could look at</p> <p>23 Section 5.6 on page 35.</p> <p>24 Does this section have any</p> <p style="text-align: right;">FFIC Obj; LO; BE; F</p> <p style="text-align: right;">PP Ctr.</p>	<p style="text-align: center;">PP Ctr.</p> <p>Page 616</p> <p>1 am using treatment in a more</p> <p>2 generic sense because the Plan</p> <p>3 provides for the treatment, which</p> <p>4 is to channel it to the Trust, and</p> <p>5 this is the detail of how the</p> <p>6 Trust is going to deal with it</p> <p>7 once it gets there.</p> <p>8 BY MR. PLEVIN:</p> <p>9 Q. If you look at the footnote</p> <p>10 8 that you referenced on page 35, an</p> <p>11 allowed claim by Fireman's Fund would be</p> <p>12 classified as an indirect PI Trust claim</p> <p>13 pursuant to subclause (y); is that your</p> <p>14 understanding?</p> <p>15 A. Well, actually, you got to</p> <p>16 strike the word "allow" because there</p> <p>17 won't be any allowance.</p> <p>18 Q. I understand. You have</p> <p>19 explained that before.</p> <p>20 A. A quick look at this</p> <p>21 suggests to me that (y) is the correct</p> <p>22 place for it.</p> <p>23 Q. Can you think of any other</p> <p>24 TDPs or plans in asbestos bankruptcies</p> <p style="text-align: right;">PP Obj: R; BE; F</p>
<p style="text-align: center;">PP Ctr.</p> <p>Page 615</p> <p>1 impact on the classification of the</p> <p>2 Fireman's Fund claim or the treatment of</p> <p>3 the Fireman's Fund claim?</p> <p>4 MR. FINCH: Objection,</p> <p>5 compound.</p> <p>6 THE WITNESS: Well, I don't</p> <p>7 think it has any impact on the</p> <p>8 classification of the claim,</p> <p>9 because, as footnote 8 points out,</p> <p>10 the classification occurs in the</p> <p>11 Plan, and this simply incorporates</p> <p>12 the Plan definition.</p> <p>13 On the treatment, this, in</p> <p>14 effect, is what the Plan provides</p> <p>15 for the treatment of claims</p> <p>16 falling within this definition.</p> <p>17 So assuming that Fireman's Fund's</p> <p>18 surety bond claim is an indirect</p> <p>19 PI Trust claim, this would be the</p> <p>20 section that would provide for its</p> <p>21 treatment.</p> <p>22 Although, I want to make</p> <p>23 clear, treatment is a technical</p> <p>24 term in the bankruptcy law. And I</p> <p style="text-align: right;">FFIC Obj; LO; BE; F</p>	<p style="text-align: center;">FFIC SC</p> <p>Page 617</p> <p>1 that provided that claims by entities</p> <p>2 that had issued supersedeas bonds or</p> <p>3 letters of credit would be treated as</p> <p>4 indirect asbestos claims subject to the</p> <p>5 payment percentage?</p> <p>6 A. Not off the top of my head.</p> <p>7 I could go back and look at a bunch of</p> <p>8 TDPs to see whether there are any such,</p> <p>9 but I don't remember off the top -- I</p> <p>10 have to say, my recollection is that the</p> <p>11 Edwards claim is somewhat unique in my</p> <p>12 experience in terms of its size and</p> <p>13 components and status in the bankruptcy</p> <p>14 case.</p> <p>15 So it wouldn't necessarily</p> <p>16 surprise me if the magnitude of that</p> <p>17 claim was such that it caused us to focus</p> <p>18 on this question for the first time</p> <p>19 explicitly in this Plan. But, again, I</p> <p>20 would really have to go back and look at</p> <p>21 the TDPs to testify confidently about</p> <p>22 that.</p> <p>23 Q. Do you recall that subclause</p> <p>24 (y), as shown on footnote 8, was inserted</p> <p style="text-align: right;">PP Obj: R; BE; F</p>

<p>FFIL SC PP Obj: R; BE; F Page 618</p> <p>1 into the Plan specifically for the 2 purpose of addressing a contingent claim 3 by Fireman's Fund under the indemnity 4 agreement? 5 A. I can't say that that was 6 the sole reason that it was put in there, 7 but I can't say that it wasn't. I really 8 don't remember at this point the drafting 9 history of the TDP sufficiently to be 10 able to say yeah or nay on that. 11 Fireman's Fund was certainly 12 contemplated -- I mean, the 13 Edwards/Fireman's Fund situation was 14 certainly contemplated as being within 15 that provision. But whether it was the 16 only thing or whether we said to 17 ourselves, gee, there might be other 18 things or this is the way we need to 19 spell this out, I just don't remember at 20 this point in time. 21 Q. Can you recall any of the 22 back and forth between your committee and 23 anybody that your committee negotiated 24 with about --</p>	<p>Page 620</p> <p>1 the objection. 2 MR. PLEVIN: Okay. 3 THE WITNESS: A lot of other 4 things, as Mr. Schiavoni is fond 5 of pointing out, I have answered 6 notwithstanding the interposition 7 of an objection. 8 MR. PLEVIN: Just so I am 9 clear, is the witness being 10 instructed not to answer? 11 MR. FINCH: Yes, the witness 12 is being instructed not to answer 13 questions that get into the 14 details of Plan negotiations of a 15 particular Plan provisions, which 16 is a position we took in our 17 objections to 30(b)(6) notice 18 generally, and that objection will 19 stand. I will instruct him not to 20 answer on, on reliance on prior 21 orders of Judge Fitzgerald in 22 other cases where exactly that 23 topic was presented. 24 MR. PLEVIN: Just so I am</p>
<p>Page 619</p> <p>1 MS. BAIER: Objection. I 2 will stop you right there because 3 now you are getting into the 4 territory of the negotiations 5 among the co-proponents of the 6 Plan or negotiations that are work 7 product and privileged and the 8 like. And we have made it very 9 clear in this deposition that 10 those are not going to be 11 responded to. 12 MR. PLEVIN: Just so I 13 understand, because I wasn't here 14 for the deposition on Friday, 15 that's a position in an objection 16 you are asserting as opposed to 17 something that's already been 18 ruled on? 19 MR. FINCH: Yes. 20 MS. BAIER: Yes. 21 THE WITNESS: But unlike 22 many of the other objections, it's 23 one that I am being instructed not 24 to answer the question subject to</p>	<p>Page 621</p> <p>1 clear, the question I just asked 2 or, I would say, mostly asked -- 3 MR. FINCH: The question you 4 asked -- 5 THE WITNESS: You tried to 6 ask. 7 MR. FINCH: -- went far 8 enough down the line that it had 9 the objection. 10 MR. PLEVIN: And you are 11 instructing him on that question? 12 MR. FINCH: Yes. 13 BY MR. PLEVIN: 14 Q. Mr. Lockwood, has the 15 committee taken the position with respect 16 to the question of whether in the event 17 that -- let me back up a minute and ask a 18 foundational question. 19 Are you aware that Fireman's 20 Fund issued insurance liability coverage 21 to W.R. Grace? 22 A. Yes. 23 Q. And are you aware of the 24 fact that W.R. Grace and/or other</p>

<p style="text-align: right;">Page 622</p> <p>1 constituencies in the case are making a 2 claim on Fireman's Fund for payment 3 pursuant to those policies? 4 MR. FINCH: Object to form. 5 THE WITNESS: Well, my 6 awareness of that is that the 7 rights under those policies are 8 being assigned to the Trust under 9 the Plan. And my expectation is, 10 therefore, that any such demands 11 that you just described would be 12 made on behalf of the Trust, not 13 on behalf of Grace. 14 But subject to that caveat 15 or correction, if you will, I am 16 aware that there have been 17 discussions of a possible 18 resolution of that insurance. 19 BY MR. PLEVIN: 20 Q. Does the committee have a 21 position as to the right of Fireman's 22 Fund to set-off against any amounts it is 23 obligated to pay as coverage under the 24 policies for asbestos liabilities any</p>	<p style="text-align: right;">Page 624</p> <p>1 have no further questions. Thank 2 you. 3 - - - 4 EXAMINATION 5 - - - 6 BY MR. SCHIAVONI: 7 Q. Mr. Lockwood, I have a 8 couple of softballs for you. 9 Did you review the 10 description of the status of the coverage 11 that Grace claims that Royal issued to 12 Zonolite in the Disclosure Statement? 13 A. Do you mean did I review the 14 portions of the Disclosure Statement 15 purporting to describe that? 16 Q. Yes. 17 A. I think I did, yes. 18 Q. Okay. Did you review the 19 description of the January 5, 1995 20 settlement agreement between Grace and 21 Royal in the Disclosure Statement? 22 A. If you could refer me to the 23 particular provision in the Disclosure 24 Statement to which you are referring, it</p>
<p style="text-align: right;">Page 623</p> <p>1 amounts owing from Grace to Fireman's 2 Fund under the indemnity agreement in the 3 event that Fireman's Fund pays under the 4 bond for the Edwards claim? 5 MS. BAIER: Objection to the 6 extent you are asking for a legal 7 opinion or conclusion from a fact 8 witness. 9 MR. FINCH: I join in that. 10 THE WITNESS: As of now, the 11 answer to that question is not 12 yet. 13 BY MR. PLEVIN: 14 Q. Okay. Do you know when -- 15 do you have an expectation, rather, as to 16 when the committee will have a position 17 on that? 18 A. Well, all I can say is that 19 that question is being analyzed, to my 20 understanding, in connection with 21 discussions that insurance counsel for 22 the committee and others are having with 23 representatives of Fireman's Fund. 24 MR. PLEVIN: All right. I</p>	<p style="text-align: right;">Page 625</p> <p>1 would probably expedite this. 2 I think I probably did, if 3 it's in the Disclosure Statement, but it 4 would be easier to answer the question 5 definitively if I could look at the 6 Disclosure Statement, which I have 7 available. 8 MR. SCHIAVONI: Carl, if you 9 could hand a copy of the 10 Disclosure Statement to 11 Mr. Lockwood. 12 MR. PERNICONE: I just did. 13 THE WITNESS: Could you give 14 the page or section number? 15 BY MR. SCHIAVONI: 16 Q. The provision I have on mine 17 is on page 41. I believe it's 2.10.2.2. 18 A. I see that provision. 19 Q. All right. Let me just ask 20 you the question clean again that I just 21 asked you. 22 A. Okay. 23 Q. Did you review the 24 description of the January 5, 1995</p>

Arrowood

Page 626

1 settlement agreement between Grace and
 2 Royal that's in the Disclosure Statement?
 3 A. Yes.
 4 Q. Okay. Is it fair to say
 5 that it's the committee's position that
 6 the Disclosure Statement accurately
 7 describes the January 5, 1995 settlement
 8 agreement between Grace and Royal?
 9 A. The answer to that is yes
 10 subject to the qualification that the
 11 committee is to an significant extent
 12 relying on Grace as the source of the
 13 information that is contained in that.
 14 But the committee is
 15 certainly not challenging that statement
 16 or disagreeing with it. And it's in a
 17 document that the committee is a
 18 co-proponent of. So, in effect, the
 19 committee is adopting it.
 20 Q. Is it fair to say,
 21 Mr. Lockwood, that it is also the
 22 committee's position that the Disclosure
 23 Statement accurately describes the status
 24 of the coverage that Grace alleges that

Arrowood

Page 628

1 any way inaccurately describes the
 2 January 5, 1995 settlement agreement
 3 between Grace and Royal?
 4 A. Correct.
 5 Q. Is it also fair to say that,
 6 sitting here today, the committee doesn't
 7 have any reason to believe that the
 8 Disclosure Statement inaccurately
 9 describes the status of the coverage that
 10 Grace alleges that Royal issued to
 11 Zonolite?
 12 A. That is also correct.
 13 Q. Are the Libby claimants that
 14 are represented by Mr. Cohn a member of
 15 the Asbestos PI Committee?
 16 A. No. One Libby claimant that
 17 is represented by Mr. Heberling is a
 18 member of the committee. To my
 19 knowledge, the balance of the so-called
 20 Libby claimants are represented by
 21 primarily, if not exclusively, two
 22 plaintiffs firms in Montana, one of which
 23 is Mr. Heberling's, the other which is
 24 not, and that Mr. Cohn has been employed

Arrowood

Page 627

1 Royal issued to Zonolite?
 2 A. As far as the committee is
 3 aware, that description is accurate, for
 4 the same reasons I described in my answer
 5 to the previous question.
 6 Q. And that is, that you are
 7 relying to some extent on Grace having
 8 provided you information?
 9 A. That's correct. I mean, the
 10 only -- we get documents; we get
 11 descriptions. The only conceivable
 12 source of those documents to us, short of
 13 going out and doing discovery of Royal
 14 and what have you, was Grace.
 15 So if they, for example,
 16 left out a document that was relevant or
 17 something like that, then we wouldn't
 18 necessarily know about it. But we don't
 19 have any reason to believe that that's
 20 the case.
 21 Q. Let me ask it that way. Is
 22 it fair to say that, sitting here today,
 23 the committee doesn't have any reason to
 24 believe that the Disclosure Statement in

Arrowood

Page 629

1 by those two firms to act as bankruptcy
 2 counsel for their collective clients.
 3 But as far as I am aware,
 4 Mr. Cohn is not a member of the ACC.
 5 Q. All right. Is Mr. Heberling
 6 a member of the Asbestos PI Committee?
 7 A. Mr. Heberling, like the
 8 other lawyers that are the personal
 9 injury lawyers for members of the
 10 committee, my understanding, has been
 11 delegated by his client who is on the
 12 committee to act in the client's stead on
 13 most, if not all, matters coming before
 14 the committee.
 15 Q. Did either Mr. Heberling or
 16 his client, that is, a member of the
 17 committee, object to your designation as
 18 a 30(b)(6) witness for the committee?
 19 A. Not to my knowledge.
 20 Q. Did the Libby claimants --
 21 strike that.
 22 Did either Mr. Heberling or
 23 his client that's a member of the
 24 committee object to you offering

Arrowood

<p style="text-align: right;">Page 630</p> <p>1 testimony on behalf of the committee with 2 respect to any of the topics on which the 3 committee's designated you as a 30(b)(6) 4 witness? 5 A. Not that I recall. 6 Q. Did either Mr. Heberling or 7 his client, which is a member of the 8 committee, convey any position to the 9 committee concerning the treatment of 10 asbestos PI claims that's in any way 11 inconsistent with the testimony that you 12 have offered today? 13 MR. FINCH: Objection, form, 14 foundation. To the extent that 15 calls for privileged 16 communications, I instruct the 17 witness not to answer. To the 18 extent that calls for settlement 19 communications, I instruct the 20 witness not to answer. 21 If you can answer subject to 22 either of those instructions, you 23 can do so. 24 THE WITNESS: Mr. Cohn and</p>	<p style="text-align: right;">Page 632</p> <p>1 client taken positions inconsistent with 2 the other committee members with regard 3 to the Plan that's now on file? 4 A. Yes. 5 Q. And has that been the case 6 for the last year? 7 A. Probably, I would say so, at 8 least. 9 Q. Would you tell us what 10 positions the Libby claimants took in 11 meetings with the other ACC members with 12 regard to the insurance coverage that's 13 alleged to be issued to Grace? 14 MR. FINCH: Objection. To 15 the extent he is calling for 16 discussions between committee 17 members in the presence of 18 committee counsel that would 19 reveal privileged communications 20 or work product communications, I 21 instruct you not to answer the 22 question. 23 I think on its face, the 24 question invades the privilege,</p>
<p style="text-align: right;">Page 631</p> <p>1 his clients have filed voluminous 2 papers in this case expressing 3 positions with which the majority 4 of the committee is in 5 disagreement, and the committee 6 has filed papers in opposition or 7 otherwise in response to those 8 papers. 9 You have asked me whether or 10 not anything I have said in the 11 course of a day and a half of 12 testimony is inconsistent with the 13 positions expressed by the Libby 14 claimants in those papers. I 15 would have to say it strikes me as 16 probable that I have said things 17 that were inconsistent with those 18 positions. But for me to go back 19 and recite from memory everything 20 that I might have said that might 21 be so inconsistent, I could not 22 begin to accomplish. 23 BY MR. SCHIAVONI: 24 Q. Have Mr. Heberling and his</p>	<p style="text-align: right;">Page 633</p> <p>1 but if you can answer the question 2 without so doing, you may do so, 3 although I tend to doubt it. 4 THE WITNESS: Read the 5 question back. 6 (The reporter read from the 7 record as requested.) 8 THE WITNESS: I have been 9 instructed not to answer that 10 question by my understanding my 11 instructions. 12 MR. SCHIAVONI: And, Nate, I 13 don't want to belabor the point, 14 but this would be the case with 15 regard to other questions about 16 what positions the Libby claimants 17 had communicated to the other 18 committee members in which they 19 are in opposition to the other 20 committee members, right? 21 THE WITNESS: Any 22 communication that happened that 23 wasn't as a result of them filing 24 something in court, I would take</p>

Page 634

1 the same position and give the
2 same instruction.

3 If you ask about questions
4 that Libby claimants have taken in
5 papers filed in the court, for
6 example, in a Disclosure Statement
7 objections and the bullet point
8 Plan objections and the
9 committee's responses made to that
10 in open court, I will permit
11 Mr. Lockwood certainly to answer
12 those questions.

13 But anything that gets into
14 communications with between the
15 Libby claimants with the rest of
16 the ACC or counsel for the ACC
17 about their respective views of
18 insurance coverage, I am going to
19 take the position as privileged.

20 And so I think you have to
21 do it on a question-by-question
22 basis, but that's my general
23 position.

24 BY MR. SCHIAVONI:

CPO

PP Obj:
R; BE;
LO

Page 636

1 you have follow-up until we run
2 out of time.

3 (There was a discussion held
4 off the record at this time.)

5 (There was a break from 3:55
6 p.m. to 4:03 p.m.)

8 EXAMINATION

10 BY MR. BROWN:

11 Q. Mr. Lockwood, just a couple
12 of follow-ups. The court reporter is
13 actually going to read back a question
14 and answer. I think it's probably easier
15 to do that, and then I will ask my
16 follow-up question. It was end of
17 Mr. Wisler's questioning of you.

18 A. Okay.

19 (The reporter read from the
20 record as requested.)

21 BY MR. BROWN:

22 Q. And after that,
23 Mr. Lockwood, Mr. Wisler asked you a
24 follow-up as to what type of claim it

Page 635

1 Q. Okay. Mr. Lockwood, I just
2 have one other brief topic. And here is
3 the first question on that: Does the
4 Plan purport to release claims that may
5 exist between insurers and Non-Debtors?

6 MR. FINCH: Objection, form,
7 broad, vague.

8 THE WITNESS: Phrased as
9 broadly as you have, I think the
10 answer is yes.

11 MR. SCHIAVONI: Okay. Thank
12 you. I have no further questions.

13 MR. FINCH: Is there anyone
14 else in the room who has
15 questions?

16 MR. BROWN: I have some
17 follow-ups.

18 MR. FINCH: Is there anyone
19 else on the telephone who has not
20 asked questions yet who has
21 questions?

22 (No response.)

23 MR. FINCH: Hearing no
24 affirmative response, I will let

PP Obj:
R; BE;
LOCNA
Obj:
F; LO;
H

CNA

Page 637

1 would be.

2 And is it correct that the
3 ACC does not have a position on what type
4 of claim it would be if it's not a Class
5 6 claim?

6 A. Well, the ACC doesn't, as
7 such, have positions on hypothetical
8 questions. So, yes, the ACC doesn't have
9 a position on that issue. The ACC --
10 well, I will leave it at that.

11 Q. On Friday, Mr. Cohn asked
12 you a question, who drafted the TDP.
13 That was the question, and you gave an
14 answer which I am happy to show you the
15 full answer. But I WANT to repeat a
16 portion of your answer. You said: "The
17 participants that did it were basically
18 counsel for the ACC, counsel for the FCR,
19 and members of the ACC itself in terms of
20 reviewing and commenting on things, and
21 the FCR himself."

22 When you said the ACC
23 itself, what did you mean?

24 A. I meant --

<p>CNA</p> <p>Page 638</p> <p>1 CPO Q. I am sorry. When you said</p> <p>2 members of the ACC itself, what members</p> <p>3 are you talking about?</p> <p>4 A. Well, I was referring to the</p> <p>5 personal injury counsel who were the</p> <p>6 delegated representatives of the</p> <p>7 individual ACC members, if that's what</p> <p>8 you are driving at.</p> <p>9 Q. That's what I am driving at.</p> <p>10 And who specifically were</p> <p>11 they?</p> <p>12 A. As far as I know -- well,</p> <p>13 the way in which the process works, in</p> <p>14 general, is sometimes the ACC has</p> <p>15 in-person meetings, sometimes it has</p> <p>16 telephonic meetings, sometimes documents</p> <p>17 get sent to it by email as PDF</p> <p>18 attachments or whatever, and the ACC has</p> <p>19 asked do you want to have a meeting or is</p> <p>20 this good enough for you. So there is a</p> <p>21 variety of ways in which the ACC views an</p> <p>22 input as obtained.</p> <p>23 And my answer was simply</p> <p>24 that at the conclusion of a process, the</p>	<p>Page 640</p> <p>1 general proposition, I believe they are</p> <p>2 in the Disclosure Statement. If they</p> <p>3 are, it's a hell of a lot better</p> <p>4 description of them than my memory. I</p> <p>5 just --</p> <p>6 MR. FINCH: There is also an</p> <p>7 order entered by the U.S. Trustee</p> <p>8 that identifies the 11 individual</p> <p>9 members of the ACC and their</p> <p>10 counsel, care of their firms.</p> <p>11 BY MR. BROWN:</p> <p>12 Q. That's what I am driving at.</p> <p>13 I would like to know who the individuals</p> <p>14 were at their firms that were involved.</p> <p>15 A. Well, let me just see. I am</p> <p>16 somewhat surprised. The Disclosure</p> <p>17 Statement does not appear to contain the</p> <p>18 members of the ACC. It just lists the</p> <p>19 counsel representing the committee as a</p> <p>20 whole. I had misremembered. I had</p> <p>21 thought that it did.</p> <p>22 I can't really remember. I</p> <p>23 mean, I know the four -- I identified</p> <p>24 four earlier as being involved in the</p> <p>PP Obj: R</p>
<p>CNA</p> <p>Page 639</p> <p>1 members of the ACC had weighed in in one</p> <p>2 or more of the ways in which I had</p> <p>3 described some of them had; they all had</p> <p>4 the opportunity to express their views;</p> <p>5 and, therefore, the final product was the</p> <p>6 product of their input. And there was a</p> <p>7 final vote to go forward with the</p> <p>8 document.</p> <p>9 Q. Okay. And when you say the</p> <p>10 members, you are talking about their</p> <p>11 actual personal injury counsel?</p> <p>12 A. As far as I know. But,</p> <p>13 again, I couldn't tell you whether an</p> <p>14 individual personal injury lawyer might</p> <p>15 have consulted with his client, the</p> <p>16 member, on one or more aspects of the TDP</p> <p>17 or, for that matter, even sent the client</p> <p>18 a copy of the entire TDP and had a</p> <p>19 discussion with him about it. I</p> <p>20 certainly couldn't exclude that.</p> <p>21 Q. Can you tell me the list of</p> <p>22 counsel that you are talking about, the</p> <p>23 actual names?</p> <p>24 A. They would be -- as a</p> <p>PP Obj: R</p>	<p>Page 641</p> <p>1 discussions with Grace. They are</p> <p>2 included. I think there is at least nine</p> <p>3 members of the ACC. I do not recall, as</p> <p>4 I sit here, who the other five members of</p> <p>5 the ACC are. I mean, they are of</p> <p>6 record -- strike that. I do not recall</p> <p>7 who the other five lawyers for the</p> <p>8 members of the ACC are. They are of</p> <p>9 record.</p> <p>10 Q. But the four to which you</p> <p>11 are referring is Mr. Budd, Mr. Rice,</p> <p>12 Mr. Cooney, and Mr. Weitz?</p> <p>13 A. Correct.</p> <p>14 Q. You were talking about the</p> <p>15 Trust Distribution Procedures and who</p> <p>16 drafted them.</p> <p>17 Would your answer be the</p> <p>18 same with respect to the Trust Agreement?</p> <p>19 A. On the Trust Agreement, I</p> <p>20 think there was more input from Grace,</p> <p>21 and, indeed, I think there may have been</p> <p>22 some from counsel from Sealed Air, as I</p> <p>23 think about it. And, indeed, now that I</p> <p>24 think about it, I think there may have</p> <p>PP Obj: R</p>

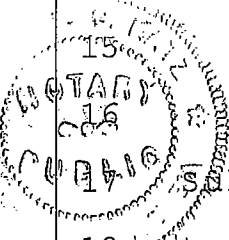
<p>CNA CPO PP Obj: R Page 642</p> <p>1 even been a little input from the Sealed 2 Air counsel on the TDP. But, again, the 3 primary draftspersons were counsel for 4 the ACC and the FCR. 5 Q. Okay. Can I direct your 6 attention to the Plan, which I guess is 7 ACC-5, and specifically it's page 70 on 8 my copy. It's under Section 7.7 9 Conditions to Occurrence of the 10 Confirmation Date, specifically condition 11 (j). 12 A. I see it. 13 Q. Can you just take a moment 14 to read that? I have one question on 15 that. 16 A. I have read it. 17 Q. In the portion of that 18 condition dealing with asbestos PD 19 claims, second-to-the last line, you will 20 see the words "if any" appear there, but 21 the same language doesn't appear for 22 asbestos PI claims. 23 Why? 24 MR. FINCH: Objection,</p>	<p>CPO Page 644 PP Obj: R; 408</p> <p>1 demands, or if there are, they 2 will be valid. 3 MR. BROWN: Okay. That's 4 all I have. 5 MR. FINCH: Could you go 6 back to the question I asked you 7 to find and read that question and 8 read the answer, and I will see if 9 I have got any redirect. 10 Does anybody else have any 11 questions? 12 (No response.) 13 MR. FINCH: Hearing none, 14 let me just hear that back. 15 (The reporter read from the 16 record as requested.) 17 MR. FINCH: No questions. 18 I think that is the end of 19 the deposition. 20 (The deposition concluded at 21 4:19 p.m.) 22 23 24</p>
<p>CPO CPO PP Obj: R; 408 Page 643</p> <p>1 foundation. 2 THE WITNESS: I need to talk 3 to my counsel about this one. 4 (There was a discussion held 5 off the record between the witness 6 and counsel at this time.) 7 MR. FINCH: The discussion 8 was with respect to whether I need 9 to instruct him not to answer the 10 question. He is allowed to answer 11 the question as long as doing so 12 doesn't reveal privileged 13 communication. 14 I think you can answer. 15 THE WITNESS: Barely. 16 The "if any" is in there, as 17 best I can recall, because the 18 Plan proponents -- in contrast of 19 PI, "if any" is under PD. Because 20 the Plan proponents are quite 21 confident that there is going to 22 be lots of future PI demands and 23 are less confident that there is 24 going to be lots of future PD</p>	<p>Page 645</p> <p>1 CERTIFICATE 2 3 4 I HEREBY CERTIFY that the witness 5 was duly sworn by me and that the 6 deposition is a true record of the 7 testimony given by the witness. 8 9 10 11 12 13 14 Lori A. Zabielski 15 Registered Professional Reporter 16 Dated: May 5, 2009 17 18 19 20 (The foregoing certification 21 of this transcript does not apply to any 22 reproduction of the same by any means, 23 unless under the direct control and/or 24 supervision of the certifying reporter.)</p>

ACKNOWLEDGEMENT OF DEPONENT

I, Peter Van N. Lockwood, do
hereby certify that I have read the
foregoing pages, 1- PGS, and that
the same is a correct transcription of
the answers given by me to the questions
therein propounded, except for the
correction or changes in form or
substance, if any, noted in the attached
Errata Sheet.

WITNESS NAME

DATE



Subscribed and sworn

to before me this

15th day of June, 2009.

My Commission expires:

Jeanne G. Katz
Notary Public, District of Columbia
My Commission Expires 12/14/2012

Notary Public

1 - - - - -

2 E R R A T A

3 - - - - -

CPO

4 PAGE LINE CHANGE

5 17 5 "to" to "to be"

6 17 21 "here in" to "herein"

7 21 21 "are" to "are not"

CPO

8 37 16 "is" to "are"

9 38 10 "My" to "When I"

10 41 12 "representative" to "representatives"

11 69 21-22 "combustion engineering" to "Combustion Engineering"

12 80 13 "pre-petitioned" to "pre-petition"

13 80 22 "consultancy and cleaning" to "Consultancy and Cleaning"

14 82 2 "alterego" to "alter ego"

CPO

15 84 18 "178" to "Definition 178"

16 84 21 "insurers" to "insureds"

17 85 15 "punitive" to "putative"

18 90 7 "the" to "an"

19 96 19 "engineering" to "Engineering"

20 98 1 "is" to "are"

21 98 19-20 "and insurance protection" to "any insurance injunction"

22 100 14 "is" to "in"

CPO

23 104 18 "or" to "or its"

24 107 13 "-vie" to "-vis"

1 - - - - -

2 E R R A T A

3 - - - - -

4 PAGE LINE CHANGE

5 111 20 delete "or"

6 112 2 "cutoff" to "cot off"

CPO 7 115 12 "is" to "are"

8 117 24 "C363B" to "section 363(b)"

9 118 3 "you" to "you're"

10 118 8 "have" to "to have"

11 119 24 "in" to "an"

12 131 24 "gratuitous" to "gratuitous benefit to"

CPO 13 134 14 "indirectly" to "indirect"

14 142 16 "transfers" to "transfer"

15 143 1 "adjoining" to "enjoining"

16 158 9 "does" to "the"

CPO 17 171 6+11 "pace" to "pes"

18 178 11 "channel" to "channeled"

19 178 12 "Trust" to "Trust claims"

20 183 4 "an all set" to "a null set"

21 192 5 "of" to "or"

22 193 5 "we" to "they"

CPO 23 194 3 "claims" to "policies"

24 205 16 "it finds" to "they find"

1 - - - - -
 2 E R R A T A
 3 - - - - -

	PAGE	LINE	CHANGE
CPD	220	3	"trusts by the Trust" to "trusts, by the trust"
	220	10	"Trust" to "court"
	223	19	delete "skied"
	224	12	"did" to "the"
	226	14	"insurer" to "insurers"
	226	18	"reviewed" to "viewed"
	232	2	"to" to "the"
	238	17	"PI" to "indirect PI"
	244	13	delete "is"
CPD	249	13	"liability is" to "liabilities"
	250	5	"omission" to "admission"
	258	24	delete "it"
	266	12	delete "a"
	266	22	insert "The" after "worded."
	267	12	"-vie" to "-vis"
	269	19	"Pi" to "PI"
	270	11	"evaluate" to "evaluates"
	272	7	"the fact of law" to "fact and law"
	272	14	delete "of"
	272	21	insert "were" before "in force"

1 - - - - -
 2 E R R A T A
 3 - - - - -

4	PAGE	LINE	CHANGE
5	279	5	"sure that" to "sure"
6	279	6	"subject." to "subject,"
7	288	8	"Grace's had" to "Grace's, had"
8	289	8	insert "Grace" before "has"
9	294	29	delete "position"
10	297	1	"IN" to "In"
11	297	6	"rights" to "right"
12	297	16	"gray" to "Grace"
13	308	3	"agreement" to "agreements"
14	310	8	"injunction, It" to "injunction it"
15	310	11	"then" to "than"
16	324	13	insert "that" before "are"
17	338	1	"CORB" to "FINCH"
18	346	18	insert "it" before "depends"
19	361	20	"table" to "liability"
20	366	2	"punitive" to "putative"
21	368	6	"a Payne" to "obtaining"
22	377	7	"pre-filed" to "previously filed"
23	399	8	"is" to "are"
24	385	21	"committees" to "committee's"

1

2

E R R A T A

3

4

PAGE

LINE

CHANGE

5

388

2'

"history" to "historical"

6

402

12

"about" to "with"

7

403

24

delete "for"

8

416

3

"entitled" to "entitle"

9

416

8

"or" to "on"

10

419

3

"to" to "at"

11

419

23-24

"in all" to "a null"

12

425

18

"Indiana" to "Inselbuch"

13

425

20

"arguably" to "arguable"

14

435

9

"met" to "me"

15

468

13

"is" to "has"

16

469

24

"errors" to "criteria"

17

471

8

"pressed" to "met"

18

472

13

"to" to "of"

19

491

16

"respected" to "respective"

20

491

17

"conference" to "categories"

21

492

8

"obtain" to "obtained"

22

493

19

~~Obtain~~ "by" to "from"

23

526

22

"combustion engineering" to "Combustion Engineering"

CPO

24

535

9

insert "a" after "go"

1 - - - - -

2 E R R A T A

3 - - - - -

CPO

4	PAGE	LINE	CHANGE
5	536	8	"exercise" to "excise"
6	539	23	"claim that" to "claims, that"
7	539	24	"exhaustion" to "exhausted"
8	546	17	delete "as" after "by"
9	550	6	"at that name insurer" to "named insured"
10	551	1-2	delete "be in" before "BNSF"
11	554	11	"turn, Have" to "turn have"
12	557	16	insert "by" before "hypothesis"
13	559	24	"present" to "presenting"
14	572	9	insert "we" after "what"
15	581	15	insert "of" after "Plan"
16	588	6	"have" to "as"
17	594	8	insert "to" before "deal"
18	614	17	"adjudicate" to "judicate"
19	626	11	"an" to "a"
20	633	10	insert "of" before "my"
21	633	21	"THE WITNESS" to "MR. FINCH"
22	634	3	"questions" to "positions"
23	638	18	insert "been" after "has"
24	644	1	"are;" to "are, that"

CPO